

Senate Commerce, Labor & Agriculture Committee Amendment No. 1

Amendment No. 1 to SB2956

**Cooper
Signature of Sponsor**

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

AMEND Senate Bill No. 2956*

House Bill No. 2817

By deleting in its entirety all the language following the enacting clause, and by substituting instead the following language:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, Part 11, is amended by adding the following language as new, appropriately designated sections.

SECTION _____. The general assembly finds that the acts and practices prohibited in this section are unfair, deceptive, and/or fraudulent. Such practices cause the insurer to incur higher costs and to pay a greater amount of claims than would be the case in the absence of such practices; unreasonably interfere with the contract of insurance between the insurer and the insured; and unfairly increase the risk assumed by the insurer.

SECTION _____. (a) It is an offense for any person or entity engaged in automobile glass replacement or glass repair services or the provision of automobile glass products to knowingly offer or make any agreement, or engage in any marketing act or practice, which is designed to reduce, or which results in a reduction of, the amount of deductible and/or co-payment incurred and paid by an insured under any insurance policy.

(b) A person engages in an act or practice prohibited by subsection (a) who does any of the following:

(1) Offers to finance payment of the customer's deductible on terms different from terms offered to customers not making an insurance claim;

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(2) Advertises, promotes, promises or offers to provide any credit, incentive, gift, rebate or special financing arrangement in satisfaction of all or part of an insurance deductible and/or co-payment owed by an insured under a policy of insurance;

(3) Advertises, promotes, or represents by tele-marketers or others, for the purpose of soliciting a claim against a property or casualty insurance carrier, that services are "free," if in fact an insurer will pay for the service and/or offers; or

(4) Offers to defer collection of, discount or issue a repayment of a customer's deductible based in whole, or in part, on the availability of insurance coverage.

(c). A violation of this section is a Class A misdemeanor, subject only to the fine.

SECTION _____. (a) Any insurance company processing a claim submitted by an insured for the repair, replacement or provision of automotive glass may refuse payment of any claim which involves an unfair, deceptive and/or fraudulent practice as provided in this act.

(b). When there is reason to believe such practices may have occurred; insurance companies may require verified proof that the insured has, in fact, fully incurred and paid any deductible and/or co-payment required under the insurance policy.

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SECTION 2. This act shall take effect July 1, 2000, the public welfare requiring
it.